

**MINUTES
OF THE REGULAR MEETING OF THE
EDINA CITY COUNCIL
HELD AT CITY HALL
APRIL 1, 2014
7:00 P.M.**

I. CALL TO ORDER

Mayor Hovland called the meeting to order at 7:06 p.m.

II. ROLL CALL

Answering rollcall were Members Bennett, Brindle, Sprague, Swenson and Mayor Hovland.

III. MEETING AGENDA APPROVED

Member Brindle made a motion, seconded by Member Sprague, approving the meeting agenda as revised to add Item IV.K., Agreement to Allow Fairview Southdale Hospital to Operate on City Streets in Excess of Road Restrictions.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IV. CONSENT AGENDA ADOPTED

Member Swenson made a motion, seconded by Member Bennett, approving the consent agenda as revised to remove Items IV.A., Regular and work session meeting minutes of March 18, 2014; and, IV.K., Agreement to Allow Fairview Southdale Hospital to Operate on City Streets in Excess of Road Restrictions, as follows:

~~IV.A. Regular and work session meeting minutes of March 18, 2014~~

IV.B. Receive payment of the following claims as shown in detail on the Check Register dated March 20, 2014, and consisting of 37 pages; General Fund \$178,815.10; Police Special Revenue \$5,726.98; Working Capital Fund \$30,235.10; Art Center Fund \$13,122.09; Golf Dome Fund \$2,716.91; Aquatic Center Fund \$792.42; Golf Course Fund \$7,245.65; Ice Arena Fund \$10,445.89; Edinborough Park Fund \$6,571.13; Centennial Lakes Park Fund \$1,883.25; Liquor Fund \$246,628.92; Utility Fund \$137,382.05; Storm Sewer Fund \$19,898.24; PSTF Agency Fund \$6,119.66; Centennial TIF District \$40.50; TOTAL \$667,623.89 and for receipt of payment of claims dated March 27, 2014, and consisting of 24 pages; General Fund \$61,850.18; Pedestrian and Cyclist Safety \$2,845.00; Working Capital Fund \$208,045.56; Art Center Fund \$1,809.20; Golf Dome Fund \$665.93; Aquatic Center Fund \$115.64; Golf Course Fund \$28,061.17; Ice Arena Fund \$59.62; Edinborough Park Fund \$11,511.40; Centennial Lakes Park Fund \$3,531.90; Liquor Fund \$163,250.10; Utility Fund \$227,411.12; PSTF Agency Fund \$1,537.72; Centennial TIF District \$33,786.75; Grandview TIF District \$1,171.30; TOTAL \$745,652.59; and, Credit Card Transactions dated January 26, 2014 – February 25, 2014; TOTAL \$35,469.71

IV.C. Approving New On-sale Wine License Davanni's, Inc. d.b.a. Davanni's Pizza & Hot Hoagies, 5124 Gus Young Lane

IV.D. Adopt Resolution No. 2014-33 Amending Hours of Sale – Edina Liquor Stores

IV.E. Request for Purchase – Award of Bid, Contract ENG 14-9 2014 Truck Sewer Rehabilitation, awarding the bid to the recommended low bidder, Lametti & Sons, Inc. at \$789,940.00

IV.F. Request for Purchase – Award of Bid, Contract ENG 14-1 Morningside B Neighborhood Roadway Improvements, awarding the bid to the recommended low bidder, Northwest Asphalt, Inc. at \$2,207,414.86 (Schedules A and E)

IV.G. Adopt Resolution No. 2014-34 France Avenue Improvements Construction Cooperative Agreement

IV.H. Request for Purchase – Ice Resurfacer for Braemar Arena, awarding the bid to the recommended low bidder, Frank J. Zamboni & Company, Inc. at \$125,070.10

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IV.I. Request for Purchase – Design & Consulting Services, Braemar Driving Range and Executive Course, awarding the bid to the recommended low bidder, Herfort Nordby Golf Course Architects, LLC at \$79,500

IV.J. Adopt Resolution No. 2014-35 Authorizing an Application to the Metropolitan Council for a Livable Community Act Tax Base Revitalization Account for the Redevelopment of the Pentagon Park Property

~~IV.K. Agreement to Allow Fairview Southdale Hospital to Operate on City Streets in Excess of Road Restrictions~~

Rollcall:

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

ITEMS REMOVED FROM THE CONSENT AGENDA

IV.A. REGULAR MEETING MINUTES OF MARCH 18, 2014 – APPROVED AS AMENDED – WORK SESSION MEETING MINUTES OF MARCH 18, 2014 – APPROVED AS PRESENTED

The Council requested an amendment to Page 7 as follows: **Mayor Hovland made a motion, seconded by Member Swenson, to immediately begin work on extending the driving range and executive course projects, consistent with the existing Concept Plan.**

Member Sprague made a motion, seconded by Member Swenson, approving the minutes of the regular of March 18, 2014 as amended above and work session meeting minutes of March 18, 2014 as presented.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IV.K. AGREEMENT TO ALLOW FAIRVIEW SOUTHDAL HOSPITAL TO OPERATE ON CITY STREETS IN EXCESS OF ROAD RESTRICTIONS – APPROVED

City Engineer Milner and Public Works Director Olson answered questions of the Council relating to calculation of the escrow provision to assure it was sufficient to pay for full replacement of the street. **Member Swenson made a motion, seconded by Member Bennett, approving Agreement to allow Fairview Southdale Hospital to operate on City streets in excess of road restrictions.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

V. SPECIAL RECOGNITIONS AND PRESENTATIONS

V.A. EARTH DAY PROCLAIMED, APRIL 22, 2014

Mayor Hovland read in full a proclamation declaring April 22, 2014, as Earth Day in the City of Edina. **Member Bennett made a motion, seconded by Member Sprague, approving proclamation declaring April 22, 2014, as Earth Day in the City of Edina.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

Paul Thompson, Energy and Environment Commissioner, thanked the Council for recognizing the importance of the environment and encouraged residents to attend the April 28, 2014 Edina Dialogue: “Powering Our Energy Future” at the South View Middle School.

VI. PUBLIC HEARINGS HELD – Affidavits of Notice presented and ordered placed on file.

VI.A. TEMPORARY ON-SITE INTOXICATING LIQUOR LICENSE – EDINA CHAMBER OF COMMERCE, TASTE OF EDINA, MAY 15, 2014 – APPROVED

Police Chief Nelson presented the request of the Edina Chamber of Commerce for a Temporary On-Sale Intoxicating Liquor License for its annual “Taste of Edina” event at The Westin Edina, on May 15, 2014, between 4:30 p.m. and 8:30 p.m. He recommended approval with one condition.

Mayor Hovland opened the public hearing at 7:18 p.m.

Public Testimony

Lori Syverson, Edina Chamber of Commerce President, described the new location, the activities planned for the event, as well as how and where to purchase tickets.

Member Swenson made a motion, seconded by Member Sprague, to close the public hearing.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

Member Swenson made a motion, seconded by Member Brindle, approving the Temporary On-Site Intoxicating Liquor License for Edina Chamber of Commerce's Taste of Edina on May 15, 2014, with the condition that the sale and consumption of intoxicating beverages be limited to beer and wine.

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

VII. COMMUNITY COMMENT

Ken Potts, 4236 Crocker Avenue, expressed his concern relating to the City's policy of complaint-driven (passive) enforcement of the City Code and noted he had filed a related formal complaint with the City Manager.

Heather Beal, 4236 Crocker Avenue, completed the written statement of Mr. Potts relating to Code enforcement.

VIII. REPORTS / RECOMMENDATIONS

VIII.A. SKETCH PLAN REVIEWED – 5100 EDINA INDUSTRIAL BOULEVARD

Community Development Director Presentation

Community Development Director Teague presented the sketch plan proposal to tear down an existing 20,388 square foot office building at 5100 Edina Industrial Boulevard and build a new 16,000 square foot retail building with a drive-thru on the north end of the building. It was noted that retail was not an allowed use so to accommodate this request, it would require a rezoning from POD, Planned Office District-1 to PCD-2, Planned Commercial District-2 or PUD, Planned Unit Development; and, a Comprehensive Guide Plan Amendment from Office to Neighborhood Commercial. In addition, several setback variances would be required.

The Council asked questions of Mr. Teague relating to the proposed rezoning.

Proponent Presentation

Dean Dovolis, DJR Architecture, Inc. presented colored renderings of the proposed building and described design elements that would address building materials used across the street and create a green gateway into Edina. Mr. Dovolis answered questions of the Council.

The Council considered the sketch plan proposal, expressed support for the proposed design and shared-parking arrangement. They recommended the following: sidewalk extension east to the intersection (if agreeable with Mn/DOT); curb extensions at the intersection to accommodate the pedestrian crossing and increase safety; increased pervious surfaces; inclusion of additional green elements/breaks within the parking lot; right turn only or restricted access at Edina Industrial Boulevard exit; additional detail on the proposed stormwater system; use of non-salt de-ice measures; definition of building use in order to support the adequacy of the proposed parking; adequate setback from Edina Industrial Boulevard to accommodate a sidewalk; and to maximize on-site landscaping.

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Council concern was expressed about the appropriateness of retail use and a drive through (which resulted in reduced parking) in this location. Mr. Dovolis agreed this was a busy gateway location with good visibility from the highway, which attracted retailers. He explained that surface parking was proposed due to the high water table and high cost to construct a building on stilts. Mr. Dovolis described the formal shared parking arrangement and mixed uses that might include retail and office. The drive-thru on the north side could be used by a sandwich shop tenant. He stated support for rezoning to POD as it had yielded a quality building/development at 70th and France.

The Council asked questions of Attorney Knutson and Engineer Bintner related to the shared parking arrangement or proof of parking, should the adjacent use change in the future. Mr. Knutson advised if that occurred, it would be an issue between the tenant and property owner. To assure adequate parking, Mr. Teague suggested addressing specific uses and eliminating uses (i.e., restaurants) that would drive need for parking. The Council supported staff interaction with Mn/DOT to address points of access.

VIII.B. SKETCH PLAN REVIEWED – 5108 EDINA INDUSTRIAL BOULEVARD

Community Development Director Presentation

Mr. Teague presented the sketch plan proposal of Frauenshuh Commercial Real Estate Group to tear down the existing 12,196 square foot structure at 5108 Edina Industrial Boulevard, build two new buildings totaling 9,450 square feet, and change the use from office to retail including a drive-thru. He described the uses of the existing building. It was noted that to accommodate this request, it would require a rezoning from POD, Planned Office District-1 to PCD-2, Planned Commercial District-2; and, a Comprehensive Guide Plan Amendment from Office to Neighborhood Commercial. Mr. Teague advised that the Planning Commission considered this sketch plan proposal at its February 12, 2014, meeting and expressed concern related to site circulation.

Proponent Presentation

David Anderson, Frauenshuh Commercial Real Estate Group, 7101 W 78th Street, Suite, Minneapolis, described site elements, adjusted points of access, and refinements made to the sketch plan to address concerns expressed by the Planning Commission. He stated they have paid attention to parking need and outdoor seating/green space because the focus would be on restaurant and food related users. Mr. Anderson noted this was a small site of 1.3 acres that required small-scale buildings to accommodate site circulation and green space.

Nick Sperides, Sperides Reiners Architects, 42 W. Old Shakopee Road, Bloomington, presented the site plan and reviewed the traffic circulation, drive-thru and sidewalk locations, one curb cut, reduced building size by 715 square feet, and more common space. He then presented exterior building materials, noting the similarity to Starbucks and Whole Foods at Centennial Lakes.

The Council considered the sketch plan proposal and recommended the following: PUD zoning to create flexibility and coordinated development; relocate entrance/exit away from adjoining curb cut; consider proof of parking options rather than being over parked; enhanced redesign of upper parapet to reduce utilitarian appearance; inclusion of a matching crosswalk at the southwest corner; flipping building locations to ease drive-thru access; bicycle racks at both buildings; moving the buildings closer to the street; additional greenspace including an island with trees and garden; specific storm water plan to accommodate the high water table; modify the vehicle centric design to better accommodate pedestrian access; create sidewalk across the berm to connect with Metro Boulevard sidewalk; provide pedestrian connectivity between the two buildings; and additional planting breaks within the parking lot.

With regard to the suggestion to flip the buildings, Mr. Sperides explained it would create conflict in traffic movements and reduce parking capacity.

VIII.C. ORDINANCE NO. 2014-04 ESTABLISHING A LOCAL LODGING TAX FUNDING FOR A CONVENTION / VISITOR'S BUREAU – GRANTED FIRST READING

Manager Neal reviewed that the Council had received a presentation from the Edina Chamber of Commerce on a proposal to establish a Destination Marketing Organization (DMO) and a three percent local lodging tax. The purpose of the DMO was to improve the City's ability to compete for tourism business by marketing the City to tourists. Mr. Neal advised of the Marriott/Residence Inn development agreement provision that would result in reducing the public facility charge paid to Edinborough Park Fund from \$41,308 to \$23,940 (\$17,000 difference). However, it was projected that the five percent administrative fee from the total proceeds would total \$19,500, which could cover the loss in the Edinborough Park Fund.

Mr. Neal answered questions of the Council relating to the agreement terms, expiration dates, and renewability on a negotiated basis. He stated the Centennial Lakes and Edinborough groups were being asked to voluntarily renew. Other options were to create special services districts and/or shared support for the facility beyond property taxes.

The Council considered the positive impact of a DMO to increase convention and hotel business. It was noted the administrative fee could be established excluding residential units. The Council requested a schedule of renewal/expiration dates. Support was expressed for the timing to establish a DMO and the Chamber of Commerce was thanked for bringing forward this opportunity. **Member Sprague made a motion to grant First Reading to Ordinance No. 2014-04 Amending Chapter 20 of the Edina City Code concerning a Local Lodging Tax. Member Swenson seconded the motion.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

VIII.D. ENCROACHMENT AGREEMENT, AK LARSON FAMILY LLC, 3939 WEST 50TH STREET – APPROVED

Economic Development Manager Neuendorf explained the owner of the 50th and France Professional Building, 3939 West 50th Street, intended to update the building façade to create an architectural statement that was more compatible with the character of the 50th & France Business District. Mr. Neuendorf stated the building was constructed to the property line, so an encroachment into the public right-of-way would result after the remodeling materials were attached to the façade. In addition, the City owns a portion of this building that houses the 50th Street Edina Liquor store. He noted there would be a share of the remodeling cost attributed to the city's liquor store.

Tammy Magney, Magney Architecture, LLC, Excelsior, described the owner's desire to create a new vision for this building to enhance the "Village Image," have a clock tower at the corner, break down the scale of the building into smaller units with storefronts, and use material complementary to downtown Edina. She presented the proposed design elements and exterior building materials board.

The Council discussed the proposed use of Dryvit, a non-natural product, and support of the intent to create an authentic traditional-looking "Village Image." Attorney Knutson advised that the Encroachment Agreement specified the use of materials as presented on the exterior building materials board. **Member Sprague made a motion, seconded by Member Swenson, approving Encroachment Agreement with AK Larson Family, LLC and authorizing staff to work with the property owner to complete this improvement project.**

Ayes: Bennett, Brindle, Sprague, Swenson, Hovland

Motion carried.

IX. CORRESPONDENCE AND PETITIONS

IX.A. CORRESPONDENCE

Mayor Hovland acknowledged the Council's receipt of various correspondence.

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IX.B. MINUTES:

- 1. ENERGY & ENVIRONMENT COMMISSION, FEBRUARY 13, 2014**
- 2. HUMAN RIGHTS & RELATIONS COMMISSION, JANUARY 28, 2014**
- 3. EDINA TRANSPORTATION COMMISSION, FEBRUARY 27 AND MARCH 20, 2014**
- 4. EDINA COMMUNITY HEALTH COMMISSION, JANUARY 7 AND FEBRUARY 3, 2014**

Informational; no action required.

IX.C. EDINA COMMUNITY HEALTH COMMISSION ADVISORY COMMUNICATION - Received

X. AVIATION NOISE UPDATE – Received

XI. MAYOR AND COUNCIL COMMENTS – Received

XII. MANAGER'S COMMENTS – Received

XIII. ADJOURNMENT

There being no further business on the Council Agenda, Mayor Hovland declared the meeting adjourned at 10:07 p.m.

Respectfully submitted,

Debra A. Mangen, City Clerk

Minutes approved by Edina City Council, April 22, 2014.

James B. Hovland, Mayor

Video Copy of the April 1, 2014, meeting available.